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**Financing of the United Nations peacekeeping forces in the Middle East: United Nations Interim Force in Lebanon**

# Performance report on the budget of the United Nations Interim Force in Lebanon for the period from 1 July 2002 to 30 June 2003

## Report of the Secretary-General

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*Summary*

The present report contains the performance report on the budget of the United Nations Interim Force in Lebanon (UNIFIL) for the period from 1 July 2002 to 30 June 2003.

The total expenditure for UNIFIL for the period from 1 July 2002 to 30 June 2003 has been linked to the mission's objective through a number of results-based frameworks, grouped by components, namely, operations and support.

**Performance of financial resources**

(Thousands of United States dollars. Budget year is from 1 July 2002 to 30 June 2003.)

| | | | *Variance* | |
|---|---|---|---|---|
| *Category* | *Apportionment* | *Expenditure* | *Amount* | *Percentage* |
| Military and police personnel | 53 585.0 | 51 098.7 | 2 486.3 | 4.6 |
| Civilian personnel | 34 288.9 | 34 835.0 | (546.1) | (1.6) |
| Operational costs | 24 168.6 | 21 663.0 | 2 505.6 | 10.4 |
| **Gross requirements** | **112 042.5** | **107 596.8** | **4 445.7** | **4.0** |
| Staff assessment income | 3 641.3 | 4 520.2 | (878.9) | (24.1) |
| **Net requirements** | **108 401.2** | **103 076.6** | **5 324.6** | **4.9** |
| Voluntary contributions in kind (budgeted) | 333.5 | — | 333.5 | 100.0 |
| **Total requirements** | **112 376.0** | **107 596.8** | **4 779.2** | **4.3** |

**Human resources incumbency performance**

| *Category* | *Approved*[a] | *Actual (average)* | *Vacancy rate (percentage)*[b] |
|---|---|---|---|
| Military contingents | 3 513 | 2 457 | 2 |
| International staff | 144 | 117 | 13 |
| National staff | 339 | 311 | 3 |

[a] Represents the highest level of authorized strength.

[b] Based on monthly incumbency and approved strength.

The actions to be taken by the General Assembly are set out in section V of the present report.

# I. Introduction

1. The budget for the maintenance of the United Nations Interim Force in Lebanon (UNIFIL) for the period from 1 July 2002 to 30 June 2003 was set out in the report of the Secretary-General of 1 April 2002 (A/56/893) and amounted to US$ 112,376,000 gross ($108,401,200 net) inclusive of voluntary contributions of $333,500. It provided for 3,513 military contingents, 144 international staff and 339 national staff. On the basis of the recommendation of the Advisory Committee on Administrative and Budgetary Questions contained in paragraph 15 of its report of 5 April 2002 (A/56/887/Add.7), the General Assembly, by its resolution 56/214 B of 27 June 2002, appropriated an amount of $112,042,500 gross ($108,401,200 net) for the maintenance of the Force for the period from 1 July 2002 to 30 June 2003. The total amount appropriated has been assessed on Member States.

# II. Mandate performance

2. The mandate of the Force was established by the Security Council in its resolutions 425 (1978) and 426 (1978). The mandate for the performance period was provided by the Council in its resolutions 1391 (2002), 1428 (2002) and 1461 (2003).

3. The Force is mandated to help the Security Council achieve an overall objective, namely, to maintain international peace and security.

4. Within this overall objective, UNIFIL, during the performance report period, has contributed to a number of expected accomplishments by delivering related key outputs, shown in the frameworks below. These frameworks are grouped by components: operations and support. The components reflect, rather than determine, the common programmatic nature of the expected accomplishments and outputs contained therein.

5. The frameworks represent a shift towards a results-based budgeting approach. The 2002/03 budget did not include standard frameworks for planned results, which would have been the baseline against which performance would be measured and reported. Therefore, the Force's mandate performance is presented in a transitional format showing the actual indicators of achievement and actual outputs during the 2002/03 period for which information was available. The expected accomplishments would lead to the fulfilment of the Security Council's objective within the time frame of the mission and the actual indicators of achievement show a measurement of progress towards such accomplishments during the performance period. The actual outputs represent the contributions made by the mission towards the expected accomplishments during the performance period.

**Component 1: Operations**

| *Expected accomplishments* | *Actual indicators of achievement* |
|---|---|
| 1.1 Greater compliance with the integrity of the Blue Line and Lebanese territorial sovereignty | 1.1.1 Serious Blue Line violations reduced from five in 2001/02[a] to two in 2002/03 |
| | 1.1.2 80% reduction in air violations (255 in 2001/02[a] compared to 51 in 2002/03) |
| | 1.1.3 Fourfold increase in firing incidents (35 in 2001/02[a] compared to 176 in 2002/03) |

*Actual outputs*

- 127,750 mobile patrol days (5 troops per patrol, 2 patrols each from 35 operational positions)
- 127,750 troop-manned observation post days (5 troops per position in two shifts at 35 operational positions)
- 424 air patrol hours along the Blue Line
- Two reports of the Secretary-General to the Security Council

*Comments*

The ground and air violations are results of external factors mainly due to the volatile regional security situation.

[a] Statistics for the period 2001-2002 reflected in A/57/662 and Corr.1 were erroneous.

| *Expected accomplishments* | *Actual indicators of achievement* |
|---|---|
| 1.2 Normalization of the authority of the Government of Lebanon in southern Lebanon | 1.2.1 47% increased presence of Lebanese security personnel in southern Lebanon (805 in 2001/02 compared to 1,185 in 2002/03) |
| | 1.2.2 No border security positions yet established along the Blue Line |

*Actual outputs*

- 246 liaison meetings convened
- 37 high-level liaison meetings convened
- 68 mediation efforts that helped avert escalation of the situation
- 144 meetings to coordinate development/humanitarian/mine action efforts in southern Lebanon

*Comments*

More liaison meetings were conducted between UNIFIL and the parties concerned to avert escalation of the situation and to keep communications open.

**Component 2: Support**

| *Expected accomplishments* | *Actual indicators of achievement* |
|---|---|
| 2.1 Effective and efficient logistical and administrative support to the mission | 2.1.1 The percentage of total inventory value awaiting write-off and disposal was reduced from 22% as at 30 June 2002 to 11% as at 30 June 2003 |
| | 2.1.2 Reduction in the procurement cycle from 94 days between the date of placing a requisition and receiving goods and services in 2001/02[a] to 72 days in 2002/03 |
| | 2.1.3 Number of hours of wide area network/local area network (WAN/LAN) downtime reduced from 60 hours in 2001/02 to 36 hours in 2002/03 |
| | 2.1.4 Vehicle off-road ratio reduced from 7% in 2001/02 to 5% in 2002/03 |

*Actual outputs*

**Service improvements**

- Inventory management: General Services Section interacted with asset managers on a daily basis, held Local Property Survey Board meetings frequently and coordinated expeditious processing of cases referred to Headquarters Property Survey Board
- Procurement cycle: integration of the acquisition plan with the budgetary process, including a joint monthly review of requirements with self-accounting units; expedited acquisition process by avoiding redundancies; use of templates for contracts and agreements and establishing long-term agreements for frequently purchased goods and services
- Information technology networks (WAN/LAN) downtime: installed surf-control software, maintained back-up servers and power supplies, effected prompt troubleshooting of the network and installed reliable hubs and switches
- Vehicle off-road ratio: replaced old vehicles in a timely manner; ensured preventive maintenance of vehicles in a timely manner, trained drivers on safe driving and maintenance and ensured prompt repair of vehicles

**Military personnel**

- Rotated 3,735 troops in and 3,946 troops out
- Rations and petrol, oil and lubricants supplied to and stored at 44 military positions for 2,463 troops (average per month)

**Civilian personnel**

- 527 civilian staff contracts administered

**Facilities and infrastructure**

- Maintained and repaired 40 military positions comprising 1,000 prefabricated and 160 solid accommodations
- Maintained total of 25 km of access roads to various military positions
- Repaired helipads at 18 locations
- Refurbished 4 offices

**Ground transportation**

- 448 light and 184 heavy vehicles plus 51 trailers maintained at 4 locations
- 66 armoured personnel carriers maintained at 2 locations

**Air transportation**

- 658 hours of helicopter flights

**Communications**

- Supported 1 VSAT system at 1 location
- 10 telephone exchanges supported for 1,395 users

**Information technology**

- Supported 580 desktops, 75 laptops, 315 printers and 41 scanners at 8 locations
- Wide-area network for 60 users supported

**Medical**

- Four level I, 1 level II and 2 basic-level hospitals providing services to 40,046 patients

*Comments*

Downsizing of the mission was completed by 31 December 2002. Relocation of civilian international staff from Nahariya, Israel, to Tyre, Lebanon, took place from August to October 2002.

# III. Resource performance

## A. Financial resources

(Thousands of United States dollars. Budget year is from 1 July 2002 to 30 June 2003.)

| Category | Apportionment[a] (1) | Expenditure (2) | Variance Amount (3) = (1) - (2) | Variance Percentage (4) = (3) ÷ (1) |
|---|---|---|---|---|
| **Military and police personnel** | | | | |
| Military observers | — | — | — | — |
| Military contingents | 53 585.0 | 51 098.7 | 2 486.3 | 4.6 |
| Civilian police | — | — | — | — |
| Formed police units | — | — | — | — |
| **Subtotal** | **53 585.0** | **51 098.7** | **2 486.3** | **4.6** |
| **Civilian personnel** | | | | |
| International staff | 23 131.5 | 20 711.3 | 2 420.2 | 10.5 |
| National staff | 11 157.4 | 14 123.7 | (2 966.3) | (26.6) |
| United Nations Volunteers | — | — | — | — |
| **Subtotal** | **34 288.9** | **34 835.0** | **(546.1)** | **(1.6)** |
| **Operational costs** | | | | |
| General temporary assistance | 52.7 | 52.7 | 0.0 | 0.0 |
| Government-provided personnel | — | — | — | — |
| Civilian electoral observers | — | — | — | — |
| Consultants | — | — | — | — |
| Official travel | 472.9 | 426.0 | 46.9 | 9.9 |
| Facilities and infrastructure | 8 778.5 | 7 788.5 | 990.0 | 11.3 |
| Ground transportation | 6 740.9 | 6 041.2 | 699.7 | 10.4 |
| Air transportation | 1 339.6 | 1 538.6 | (199.0) | (14.9) |
| Naval transportation | — | — | — | — |
| Communications | 1 210.3 | 1 140.8 | 69.5 | 5.7 |
| Information technology | 1 424.8 | 1 494.3 | (69.5) | (4.9) |
| Medical | 871.7 | 721.4 | 150.3 | 17.2 |
| Special equipment | 548.5 | 542.0 | 6.5 | 1.2 |
| Other supplies, services and equipment | 2 728.7 | 1 917.7 | 811.0 | 29.7 |
| Quick-impact projects | — | — | — | — |
| **Subtotal** | **24 168.6** | **21 663.0** | **2 505.6** | **10.4** |
| **Gross requirements** | **112 042.5** | **107 596.8** | **4 445.7** | **4.0** |
| Staff assessment income | 3 641.3 | 4 520.2 | (878.9) | (24.1) |
| **Net requirements** | **108 401.2** | **103 076.6** | **5 324.6** | **4.9** |
| Voluntary contributions in kind (budgeted) | 333.5 | — | 333.5 | 100.0 |
| **Total requirements** | **112 376.0** | **107 596.8** | **4 779.2** | **4.3** |

[a] Reflects adjusted distribution of approved resources between military and police personnel and operational costs categories of expenditure.

## B. Other income and adjustments

| *Category* | *Amount (Thousands of US dollars)* |
|---|---|
| Interest income | 6 637 |
| Other/miscellaneous income | 1 603 |
| Voluntary contributions in cash | — |
| Prior-period adjustments | (68) |
| Savings on or cancellation of prior-period obligations | 3 171 |
| **Total** | **11 343** |

## C. Contingent-owned equipment: major equipment and self-sustainment

| *Category* | *Expenditure (Thousands of US dollars)* |
|---|---|
| **Major equipment** | 2 987.4 |
| **Self-sustainment** | |
| Catering (kitchen facilities) | 111.3 |
| Office equipment | 97.1 |
| Electrical | 117.3 |
| Minor engineering | 70.5 |
| Laundry and cleaning | 358.0 |
| Miscellaneous general stores | 177.7 |
| Communications | 63.4 |
| Medical services | 281.7 |
| Explosive ordnance disposal | 86.9 |
| Observation | 328.9 |
| **Subtotal** | **1 692.8** |
| **Total** | **4 680.2** |

| *Mission factors* | *Percentage* | *Effective date* | *Last review date* |
|---|---|---|---|
| **A. Applicable to mission area** | | | |
| Extreme environmental condition factor | 0.5 | 9 November 1998 | No review date |
| Intensified operational condition factor | 2.3 | 9 November 1998 | No review date |
| Hostile action/forced abandonment factor | — | 9 November 1998 | No review date |
| **B. Applicable to home country** | | | |
| **Incremental transportation factor** | | | |
| • Fiji | 4.5 | | |
| • Ghana | 2.0 | | |
| • India | 1.0 | | |
| • Ukraine | 0.25 | | |

## D. Non-budgeted contributions

| *Category* | *Actual value (Thousands of US dollars)* |
|---|---|
| Status-of-forces agreement[a] | 1 478.6 |

[a] Inclusive of rental costs of UNIFIL headquarters in Naqoura ($441,200), UNIFIL House in Beirut ($333,500), which had previously been reported under voluntary contributions in kind (budgeted), and military positions ($703,900) provided by the Government of Lebanon.

# IV. Analysis of variances[1]

| | *Variance* | |
|---|---|---|
| **Military contingents** | $2,486.3 | 4.6% |

6. The reduced requirements are mainly attributable to savings under travel on emplacement, rotation and repatriation. The estimate had been based on the rotation of 5,054 military personnel (twice the average number of troops (2,527)) at $1,000 per person per rotation. Actual average troop strength for the period under review was 2,457, and repatriation based on 4,923 military personnel at $753 per person per rotation.

| | *Variance* | |
|---|---|---|
| **International staff** | $2,420.2 | 10.5% |

7. The reduced requirements are mainly attributable to lower than expected expenditures related to the relocation of civilian international staff from Israel to Lebanon in the period from August to October 2002. Some UNIFIL staff were in other missions on temporary duty.

[1] Resource variance amounts are expressed in thousands of United States dollars.

| | *Variance* | |
|---|---|---|
| **National staff** | ($2,966.3) | (26.6%) |

8. The additional requirements are mainly attributable to a salary increase effective 1 August 2002, with consequent higher expenditures for national staff salaries, common staff costs and staff assessment.

| | *Variance* | |
|---|---|---|
| **Official travel** | $46.9 | 9.9% |

9. The reduced requirements are mainly attributable to the cancellation of travel plans by staff from Headquarters due to the regional security situation.

| | *Variance* | |
|---|---|---|
| **Facilities and infrastructure** | $990.0 | 11.3% |

10. The reduced requirements are mainly attributable to the decision not to purchase large capacity generators, as spare parts were made available from the field reserve. Adequate power supply was ensured by repairing the old generators.

| | *Variance* | |
|---|---|---|
| **Ground transportation** | $699.7 | 10.4% |

11. The reduced requirements are mainly attributable to the lower than anticipated costs of repair and maintenance services for vehicles and armoured personnel carriers, as a result of the reduction in the fleet size from 750 to 695 vehicles, while retaining newer cars.

| | *Variance* | |
|---|---|---|
| **Air transportation** | ($199.0) | (14.9%) |

12. The additional funding requirement is attributable to the increase in third-party insurance premiums.

| | *Variance* | |
|---|---|---|
| **Communications** | $69.5 | 5.7% |

13. The reduced requirements are mainly attributable to the fact that the cost of spare parts had been overestimated.

| | *Variance* | |
|---|---|---|
| **Medical** | $150.3 | 17.2% |

14. The reduced requirements are mainly attributable to the lower utilization of medical supplies due to a reduction in medical incidents in the UNIFIL area of operations.

| | *Variance* | |
|---|---|---|
| **Other supplies, services and equipment** | $811.0 | 29.7% |

15. The reduced requirements are mainly attributable to the fact that the anticipated compensation to landlords was higher than the actual claims negotiated.

## V. Actions to be taken by the General Assembly

16. **The actions to be taken by the General Assembly in connection with the financing of UNIFIL are:**

(a) **To decide on the treatment of the unencumbered balance of $4,445,700 with respect to the period from 1 July 2002 to 30 June 2003;**

(b) **To decide on the treatment of other income/adjustments for the period ended 30 June 2003 amounting to $11,343,000 from interest income ($6,637,000), other/miscellaneous income ($1,603,000) and savings on or cancellation of prior-period obligations ($3,171,000), offset by prior-period adjustments of $68,000.**